

OFFICE OF THE CITY ATTORNEY



330 West 20th Avenue
San Mateo, California 94403-1388
Telephone (650) 522-7020
FAX: (650) 522-7021

September 13, 2010

Chairman Dan Schnur
Fair Political Practices Commission
429 J Street, Suite 800
Sacramento, CA 95814

**RE: Agenda Item 19- General Discussion of Proposed Amendments
to the Gift Regulations**

Dear Chairman Schnur:

On behalf of the League of California Cities City Attorneys' FPPC Committee, I submit this letter for comment on the above-referenced agenda item. Your staff report indicates an interest in reviewing the entire gift regulation series with the goals of resolving internal inconsistencies and simplifying the regulations to make them more understandable. The Committee supports this effort. The Committee believes a set of clear regulations will promote a greater level of compliance with the law as the hundreds of local government officials (many of them laypersons) will have a better understanding of their duties with respect to the limits on the receipt of gifts and the reporting of gifts. The Committee is willing to assist in this effort, and has tasked itself with developing a list of areas that could benefit from simplification that it will share with your staff.

The staff report also introduces for discussion purposes proposed amendments affecting three gift regulations. Staff indicates it intends to bring these amendments forward for Commission adoption at your November meeting. The Committee questions whether these amendments should be brought forward at this time in light of staff's recommendation to undertake a global review of the gift regulation series. However, if the Commission elects to act on these proposals, the Committee offers the comments below.

"Home Hospitality"

The Committee supports staff's position on this issue. The "home hospitality" exception is understood by the Committee members to apply to situations where the benefits received by the official are those one would reasonably expect to be received from a friend (for example, meals and lodging while spending time with a friend at their home.) The payment of expenses

for an official's wedding hosted by the official's friend seems more appropriately treated as a reportable wedding gift.

"Valuation Rules"

The Committee supports staff's interest in consistently treating the valuation of gifts of admission to "invitation only" events and gifts of admission to the fundraising events of nonprofits and political groups.

"Attendance at Political Fundraisers"

Staff proposes to amend the regulations to provide that a gift of admission to a political fundraiser outside of California has no value. This is currently the rule for gifts of admission to political fundraisers within the state. The Committee is neutral with respect to this proposal. In the experience of the Committee members this issue rarely arises for the vast majority of local government officials.

I hope you find these comments helpful in your deliberations on the proposed amendments. Your next meeting coincides with the Annual Conference of the League of California Cities. I will be attending the conference and unable to attend your meeting.

Sincerely,



Shawn M. Mason
City Attorney
City of San Mateo

cc: Scott Hallabrin, General Counsel
John Wallace, Assistant General Counsel
William J. Lenkeit, Commission Counsel